

How North Carolina Can Best Respond to Long-Term Services and Supports Needs

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Our long-term services and supports needs are growing, and North Carolinians have an opportunity to respond by working together across all sectors of care. Furthering steps we have taken to increase direct care worker wages, and taking additional steps to support these services, can help us respond to the needs and improve quality.

Introduction

Media influencers suggest that 60 is the new 50, or 70 is the new 60. Yet, according to the Center for Disease Control (CDC), the human life expectancy is approximately 76 years [1]. At the same time, the number of people in North Carolina over age 65 is expected to rise 52%, from 1,760,844 in 2020 to 2,669,736 in 2040 [2]. Perhaps more importantly, the number of those aged over 85 will rise 116%, from 193,247 to 417,112 [2].

These projections forecast the potential need for in-home or facility-based care services. There is no question that, as the baby boom generation has now entered into retirement age and beyond, the desire to age at home has increased. The same is true for people with disabilities across the life span and their families. No longer are they seeking facility “placements,” but rather looking for in-home services and supports.

As promising as this direction is, we have a serious problem: We don't have a workforce that can sustain both in-home options and facility-based services when needed. This problem was not created by the pandemic, but is one that the pandemic and the corresponding worker shortages in recent years laid bare.

In 2020, 85 counties in North Carolina had more people aged 60 years and older than those aged under 18 years; by 2040, this number is expected to increase to 90 counties [2]. People are living longer thanks to access to better health care, meaning their need for care in older age is delayed. However, the growing aging population will place significant strain on a shrinking workforce. Compounding this challenge, according to the Alzheimer's Association, in 2020 North Carolina had 180,000 adults aged 65 years and older with Alzheimer's disease, and this number is projected to rise to 210,000 by 2025, an increase of 17% [3]. Alzheimer's disease is the fourth leading cause of death among people aged 65 and older [3].

North Carolina is expected to need an additional 20,000 direct care workers by 2028. When we consider the average wage for a direct support professional (DSP) in 2021 was \$10–\$13 per hour, while individuals can earn \$17.00-plus per hour in retail and fast food, we must be aggressive in addressing the current and future crises [4].

Government, both federal and state, is the largest payor of long-term services and supports (LTSS), primarily through state Medicaid programs, since Medicare largely doesn't cover LTSS. NC Medicaid spent approximately \$9.7 billion in services for older adults and those with disabilities in state fiscal year 2021 (internal data). Access to private long-term care (LTC) insurance or the means to pay for LTSS is limited. If you have a disability, there is virtually no payor source outside of government or paying out of pocket.

If government is the primary payor, it must work with advocates, industry, and legislative leaders to plan for today, but most importantly for the future. We believe the answer lies in the following areas:

Stabilizing the Long-Term-Care Workforce

We need to immediately stabilize the workforce by addressing compensation and ensuring that it keeps pace with inflation, in addition to creating pathways for career advancement, improving working conditions for staff, and using innovative approaches to supplement staff.

Since the beginning of the COVID-19 pandemic, NC Medicaid has temporarily increased rates for services used by people who are aging and people with disabilities. The rate changes have somewhat stabilized the labor market, though significant challenges still exist. There has been some movement by the North Carolina General Assembly to increase certain rates permanently, but much more needs to be done. We must increase rates, but key to this will be mandates ensuring that the rate increase paid to providers results in actual salary increases for workers. One-time changes in compensation are important to stabilize the LTSS

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industry, but we must ensure that wages do not once again fall behind market rates. Wage growth for DSPs must be prioritized to ensure recognition of this workforce cohort as essential to the overall health care system.

Supporting Direct Support Professional Development and Specialization

It is often said that we need a career path for DSPs to progress into higher-paying jobs. We do need that, but it is perhaps more important that we create opportunities for individuals to stay in the same job with increased wages based upon gaining new skills. We should implement a North Carolina web-based educational program that encourages DSPs and their employers to gain specialty skills and expertise, increasing workers' value to their employers and allowing employers to improve the quality of services and supports for their customers, ultimately improving health outcomes and quality of life. The program should be available statewide and be housed within a statewide agency like the North Carolina Area Health Education Centers (AHEC). North Carolina's spending plan for the recent American Rescue Plan Act funds also recommends working closely with the community college system and the North Carolina Department of Labor to further these educational and career opportunities, in addition to creating an Innovation Fund to develop models to increase retention [5]. We should support those efforts and keep DSPs in health care by creating incentives for employers to support workers who wish to attend school to gain a degree or additional certifications.

Compensation and career paths are important, but there is more we need to do.

Creating a work environment that encourages people to choose DSP as a career path is critical if we are going to recruit new people to this workforce. To do so, we need to ensure that settings are adequately staffed so workers are not overly stressed, and we need to involve DSPs in policy decisions to ensure the policy direction is informed by experience.

Empowering Individuals and Families

It is also important that we explore all options that will ease the demand for additional workers. When family members are capable and desire to provide care support, paying them as caregivers is an important option for addressing the

worker shortage. Increased use of self-direction models, in which the beneficiary hires and budgets for their own care, is another promising way to attract DSPs who want to work directly with patients, and can often allow for higher pay. We need to extend this option to more individuals and families.

Taking full advantage of assistive and enabling technology can allow for more independence and help us meet the growing demand for community-based services. The convenience of "smart home" technology is changing the way we all live. This same technology can be customized for people needing supports and significantly increase independence. Door alarms, stove sensors, and voice-activated controls are great examples of technology that currently allow for less staff presence.

These strategies are good first steps. Real change will require people from across all sectors to work together.

The North Carolina Department of Health and Human Services and NC Medicaid are committed to doing all we can to address this critical issue. The citizens of North Carolina deserve our best effort to assure that supports are available when people need them. **NCMJ**

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